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Arizona Corporation Commission

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Attorneys for Intervenors IBEW Locals 387 and 769

BEFORE THE ARIZONA CORPORATION COMMISSION

DOUG LITTLE, Chairman
BOB STUMP, Commissioner
BOB BURNS, Commissioner
TOM FORESE, Commissioner
ANDY TOBIN, Commissioner

IN THE MATTER OF THE APPLICATION
OF ARIZONA PUBLIC SERVICE
COMPANY FOR A HEARING TO
DETERMINE THE FAIR VALUE OF THE
UTILITY PROPERTY OF THE COMPANY
FOR RATEMAKING PURPOSES, TO FIX A
JUST AND REASONABLE RATE OF
RETURN THEREON, TO APPROVE RATE
SCHEDULES DESIGNED TO DEVELOP
SUCH RETURN.

Docket No.: E-01345A-16-0036

Docket No.: E-01345A-16-0123

**NOTICE OF FILING OF DIRECT
TESTIMONY OF G. DAVID VANDEVER**

IN THE MATTER OF FUEL AND
PURCHASED POWER PROCUREMENT
AUDITS FOR ARIZONA PUBLIC SERVICE
COMPANY

Pursuant to the Chief Administrative Law Judge's Procedural Order dated March 3, 2017,
Intervenors Local Unions 387 and 769, International Brotherhood of Electrical Workers, AFL-
CIO, CLC ("IBEW Locals"), by and through undersigned counsel, hereby file the attached
Direct Testimony of G. David Vandever in support of the Settlement Agreement.

1 RESPECTFULLY SUBMITTED this 30th day of March, 2017.

2 

3 Nicholas L. Enoch, Esq.

4 Lubin & Enoch, P.C.

5 *Attorneys for Intervenors IBEW Locals*

6 *387 and 769*

1 **Q1. Please state your name and business address.**

2 A1. G. David Vandever. My business address is 3060 West Deer Valley Road, Phoenix,
3 Arizona 85027.
4

5 **Q2. Are you the same G. David Vandever whose direct testimony was filed in these**
6 **Dockets on December 20, 2016 and February 6, 2017?**

7 A2. Yes.
8

9 **Q3. On whose behalf are you filing this direct testimony?**

10 A3. This direct testimony is filed on behalf of the IBEW Locals.
11

12 **Q4. Were the IBEW Locals a signatory to the Proposed Settlement Agreement**
13 **("Agreement") filed in these Dockets on March 27, 2017?**

14 A4. Yes.
15

16 **Q4. Why did the IBEW Locals decide to be a signatory to the Agreement?**

17 A4. The IBEW Locals believe that the terms of the Agreement are just, reasonable, fair, and
18 in the public interest. This is because the terms of the Agreement: (i) establish just and
19 reasonable rates for APS customers; (ii) promote the reliability of the electric system; (iii)
20 promote the convenience, comfort and safety, and the preservation of health, of the
21 employees and customers of APS (consistent with the constitutional mandate found in
22 Article XV, § 3 of the Arizona Constitution); and (iv) avoid unnecessary litigation
23
24

1 expense and delay. The IBEW Locals believe that the Agreement balances APS's rate
2 increase with benefits for its employees and its customers.

3 **Q5. In balancing the rate increase, what benefits for APS employees and customers did**
4 **the IBEW Locals consider?**

5 A5. The Agreement benefits APS customers and employees in many ways. First, it
6 modernizes an archaic, economically inefficient, ineffective, and unfair pricing structure.
7 The Agreement allows for new updated rate designs with rate options for all customers
8 and eliminates the misalignment of rates and costs. Another benefit is that the
9 Agreement contains additional off-peak hours and holidays for time-differentiated rates.
10 In addition, the Agreement provides for an educational plan and concerted outreach
11 efforts by APS to inform customers of the various rate plans while preserving the
12 transitional rates until May 1, 2018 to facilitate this customer education. The Agreement
13 also addresses the substantial and unfair cost shift from solar net metering customers to
14 all other customers by resolving the Solar Distributed Generation issues for the term of
15 the Agreement. Finally, and most importantly, the Agreement contains a provision
16 requiring APS to annually monitor and report on the progress it is making toward
17 replacing the aging workforce. Maintaining a skilled workforce is essential to APS's
18 ability to provide safe and reliable service and is of the utmost importance to the IBEW
19 Locals.

20
21 **Q13. Does this conclude your direct testimony?**

22 A13. Yes.
23
24

CERTIFICATE OF SERVICE

Original and thirteen copies of the IBEW Locals' Notice filed this 30th day of March, 2017, with:

Arizona Corporation Commission
Docket Control Center
1200 West Washington Street
Phoenix, Arizona 85007-2996

Copies of the foregoing transmitted electronically or mailed this same date to those identified on the attached service list for this docket.

/s/ Cristina Gallardo-Sanidad

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